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ABSTRACT

This audit evaluated State University of New York (SUNY) personnel practices under 1985 and 1987 state legislation which granted SUNY greater flexibility to set salaries in order to recruit and retain top faculty and administrative talent. The study concluded that SUNY has used flexibility prudently and that flexibility has not had a significant impact on overall salaries. In addition, comparisons with peer university systems nationwide found that SUNY's faculty and administrator salaries are in line with other states. However, the audit found that SUNY has not developed any formal criteria or gathered evidence to assess the impact of flexibility on personnel practices. A review of a sample of SUNY staff paid more than institutional maximums found these were adequately documented and properly authorized and were generally used to attract or retain top faculty or administrators. Salary ranges for employees were established based on existing SUNY salary structure at the time flexibility legislation was enacted and on the salaries paid by SUNY's peer institutions. Findings indicated that SUNY officials should establish specific criteria and obtain data to measure the benefits and costs of flexibility. Appendixes contain faculty and administrator salary comparison charts and comments of SUNY officials. (JB)

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Office of the State Comptroller
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STATE UNIVERSITY OF NEW YORK

PERSONNEL PRACTICES UNDER

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State of New York
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Division of Management Audit

Report 94-S-29

Dr. Joseph C. Burke
Interim Chancellor
State University of New York
State University Plaza
Albany, New York 12246

Dear Dr. Burke:

The following is our report on personnel practices under flexibility at the State University of New York.

This audit was performed pursuant to the State Comptroller's authority as set forth in Section 1, Article V of the State Constitution and Section 8, Article 2 of the State Finance Law.

This report was prepared under the direction of Frank J. Houston, Audit Director. Major contributors are listed in Appendix A.

Office of the State Comptroller
Division of Management Audit

September 26, 1994

Executive Summary

State University of New York
Personnel Practices Under Flexibility

Scope of Audit

A 1985 study conducted by the Independent Commission on the Future of the State University concluded that the State University of New York (SUNY) was the most over-regulated university in the nation and that change was needed to allow SUNY to effectively carry out its functions. Subsequent to this study, the State Legislature enacted Chapter 552 of the Laws of 1985 and Chapter 263 of the Laws of 1987 which granted SUNY, among other things, greater flexibility with relation to personnel practices. This legislation has given SUNY the authority to set salary ranges for 20,800 academic positions and about 1,300 administrators. In extraordinary circumstances, SUNY may exceed the established salary range for an individual employee. One of the major objectives of flexibility over personnel practices is to allow SUNY to recruit and retain top faculty and administrative talent.

Our audit addressed the following questions about SUNY's personnel practices under flexibility:

- Has SUNY used flexibility in a prudent manner?
- What is the impact of flexibility on SUNY salaries?
- How does SUNY measure or demonstrate the success of flexibility in personnel practices?

Audit Observations and Conclusions

We conclude that SUNY has used flexibility in a prudent manner. We found that flexibility has not had a significant impact on the overall salaries paid to eligible SUNY employees compared to other State employees. Also, our comparisons with peer university systems nationwide show that SUNY's faculty and administrator salaries generally are not out-of-line with those of other states, although we noted some exceptions. We have found, however, that unlike other areas where SUNY has flexibility, such as in purchasing practices, SUNY has not developed any formal criteria or gathered evidence to assess the impact of flexibility on personnel practices.

SUNY relies on the individual campuses to identify those positions which are critical and which must be supported by top faculty or administrators in a specific field. While there is some criteria which identifies the

qualifications deemed necessary to fill positions, there is also subjectivity regarding the assessment of who is the best candidate for that job and the salary needed to attract that candidate. We reviewed a sample of SUNY staff who were paid more than the SUNY salary maximums to determine whether the decisions were documented and properly authorized. We found that these over-the-maximum situations were adequately documented and properly authorized, and were generally used to attract or retain top faculty or administrators. Our report contains examples that show that SUNY has used flexibility in a prudent manner to exceed the established salary ranges. (see pp. 3-5)

SUNY officials informed us that salary ranges for employees were established based on the existing SUNY salary structure at the time flexibility legislation was enacted and on the salaries paid by SUNY's peer university systems nationwide. Because the establishment of salaries is a subjective process, we obtained information on salaries paid by SUNY's peer university systems to determine whether SUNY's salaries are reasonable in comparison. We found that SUNY's University Centers generally paid their professors and associate professors a higher salary than their peers, while faculty at the comprehensive colleges were generally paid less than their peers. We also found that administrator salaries at SUNY's doctoral and comprehensive institutions were comparable to the national median, while the administrator salaries at SUNY's baccalaureate and two-year colleges were considerably higher than the national median. In addition, we noted instances where individual salaries at SUNY's doctoral colleges, particularly Buffalo University, were well above SUNY's median for that title. We recommended that SUNY review situations where SUNY salaries deviate considerably from the national median, as well as from the SUNY median, and determine whether such situations are appropriate. (see pp. 7-10)

SUNY has not established specific criteria nor captured data by which to measure the success of flexibility. For example, SUNY officials have not uniformly assessed the timeliness of personnel transactions, the percentage of top faculty and administrators that they have been able to recruit or retain, or the amount of research monies that some of the top paid faculty have been able to bring into the SUNY system. Consequently, SUNY management cannot objectively measure or demonstrate the success of flexibility on personnel practices. Although we noted instances that demonstrate a degree of success, SUNY needs to establish specific criteria and obtain data to measure the benefits and costs of flexibility. (see pp. 11-12)

Comments of SUNY Officials

SUNY officials agree with our recommendations and state they will implement them.

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Introduction

Background

A 1985 study conducted by the Independent Commission on the Future of the State University concluded that the State University of New York (SUNY) was the most over-regulated university in the nation and that change was needed to allow SUNY to effectively carry out its functions. Subsequent to this study, the State Legislature enacted Chapter 552 of the Laws of 1985, which granted SUNY (effective April 1, 1986) greater flexibility in the areas of budget execution, procurement and personnel practices. In effect, SUNY was authorized (within statutory limits) to increase or decrease appropriations, to acquire goods and services, and to establish personnel positions without the review and approval of the State's control agencies, as required for other State government organizations.

This flexibility law, as it relates to personnel practices, frees SUNY from external approval of personnel actions, including salary decisions for all academic and administrative positions, except the Chancellor. Chapter 263 of the Laws of 1987 gives the SUNY Board of Trustees the authority to set the salary of the Chancellor, Presidents and senior staff of the SUNY system. Such salary plans are developed in consultation with the Governor's Office of Employee Relations and the Division of the Budget.

SUNY employs approximately 53,000 employees at 29 State-operated campuses and at SUNY Central. Annual personnel costs exceed $1.5 billion. Approximately 22,000 of SUNY's employees are in those academic and administrative positions primarily affected by flexibility legislation. According to payroll data as of October 20, 1993, New York State employed 1,906 individuals who have salaries in excess of $100,000. SUNY employs 36 percent of these individuals (677).

Audit Scope, Objectives and Methodology

Our audit examined the success of flexibility as it relates to SUNY's personnel practices. This performance audit focused on SUNY employees in academic and administrative titles. We reviewed SUNY salaries during the 1987-88 fiscal year (pre-flexibility) and during the 1992-93 fiscal year (post-flexibility) and compared them to peer institutions nationwide for the same periods. We also reviewed employee personnel files and related records through October 31, 1993. The objectives of our audit were to determine: how SUNY salaries compare to peer

salaries; the impact of flexibility on SUNY salaries; and how SUNY measures or demonstrates the success of flexibility in personnel practices.

To accomplish our objectives, we compared SUNY faculty salaries to peer faculty salaries for the 1987-88 and 1992-93 academic years. We compared SUNY administrative salaries to peer administrative salaries reported to the College and University Personnel Association, Inc. for the 1992-93 fiscal year. We also compared and contrasted SUNY's salary information from Fall 1987 and Fall 1992. In addition, we reviewed files and interviewed appropriate officials at SUNY Central and selected campuses to identify evidence of where flexibility has been successful.

We conducted our audit in accordance with generally accepted government auditing standards. Such standards require that we plan and perform our audit to adequately assess those operations of SUNY which are included within the audit scope. Further, these standards require that we understand SUNY's internal control structure and its compliance with those laws, rules and regulations that are relevant to SUNY operations which are included in our audit scope. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary in the circumstances. An audit also includes assessing the estimates, judgments and decisions made by management. We believe that our audit provides a reasonable basis for our findings, conclusions and recommendations.

Response of SUNY Officials to Audit

A draft copy of this report was provided to SUNY officials for their review and comment. Their comments have been considered in preparing this report and are included as Appendix B.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Chancellor of the State University of New York shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons therefor.

Use of Flexibility

In general, with regards to personnel practices, the flexibility legislation has given SUNY authority to set salary ranges for 20,800 academic positions and about 1,300 administrators and top executives (Chancellor, Presidents and senior Central Office staff). The salary ranges established by SUNY were based in large part on the existing SUNY salary structure at the time the flexibility legislation was enacted and on the salaries paid by SUNY's peer university systems nationwide. In extraordinary circumstances, SUNY may exceed the established salary range maximum for an individual employee.

We reviewed the distribution of salaries within the ranges established by SUNY for the most recent year available (1992-93) and found that for the most part the salaries were near the middle of the ranges. For example, the salary range for a full professor among SUNY's various institutions was $33,100 to $86,103. We found that professors at the University Centers earn more than the middle of the range (about $71,000), while professors at the comprehensive colleges earn less ($52,750). In addition, a Division of Budget study found that the percentage increase in average faculty salary from 1987 to 1992 is consistent with the pay increases received by other State employees for the same period.

SUNY relies on the management of the individual campuses to identify those positions which are critical and which must be supported by top faculty or administrators in that field. In addition, while there is some criteria which identifies the qualifications deemed necessary to fill positions, there is subjectivity regarding the assessment of the best candidate for that job and the salary needed to attract that candidate. Because the decision on individual candidates and salaries is subjective, we limited our review to determining whether the decision was documented and properly authorized.

During the 1992-93 academic year, SUNY had approximately 250 employees (about one percent of eligible employees) earning salaries in excess of their respective salary maximums. We reviewed a sample of individuals who were paid more than the maximum amount established for their position, and found that these occurrences were properly authorized and adequately documented. These over-the-maximum salaries were generally established to attract or retain top faculty or administrators. The following are examples we found at the four campuses we visited.

Binghamton - According to campus officials, the School of Management had been preparing for quite some time for the accreditation process by the American Assembly of Collegiate School of Business. In order to satisfy the accreditation agency, the University needed to recruit/retain faculty with appropriate credentials. The flexibility legislation gave the University the ability to tender salaries over the maximum to eight faculty in the School of Management. The process was successful, and the School of Management received accreditation on April 23, 1991. As of August 1993, the salaries of these eight faculty were as follows: six assistant professors (10-month work year) had salaries that ranged from 3 to 12 percent over the maximum salary of $56,424; and two associate professors (10-month work year) had salaries that were 1 and 18 percent over the maximum of $67,967.

Buffalo - Salary flexibility gave the University the ability to make timely counter offers to retain a full professor in Marketing who had been offered a position at another school for the 1989-90 academic year. The other school offered a salary of $95,000. Buffalo countered with an offer of $90,000. The professor accepted, but the other school then offered even more. The professor requested that Buffalo at least meet the other school's initial offer of $95,000. Buffalo countered with an offer of $95,000 to make an in-grade adjustment of $15,276 to retain the professor.

Brooklyn - Salary flexibility gave Brooklyn Health Science Center the ability to attract a Dean for the College of Medicine to start in August 1991 at a salary of $185,000, or $52,000 over the maximum of $133,000. File documentation indicates that the salary offered the new dean was to compensate him for his outstanding contributions to medical education and research, for the enormous challenge he faced as the leader of the College of Medicine, and for the substantial costs he would incur in relocating to New York City. The salary was based on what the new dean was making at his prior position as the Dean of SUNY Health Science Center at Syracuse ($149,000), plus an amount that would allow him to obtain comparable housing in New York City (estimated at more than $32,000 per year).

Stony Brook - Salary flexibility enabled the University to recruit a Dean of Medicine from a prestigious mid-western university. According to file documentation, the mid-western university was paying the individual almost $200,000 as a professor of medicine and vice-chairman of the department. The individual is regarded as a major figure in medicine and had been widely sought for positions such as chairman, dean, and president by a number of major academic health centers. Stony Brook had to offer more than his current salary to stand any chance of

attracting the individual. The individual was appointed in June 1988 at a salary of $230,000, $110,000 over the maximum salary for that title ($120,000). As of July 1993, the Dean was making $281,000, about $142,000 over the maximum.

It appears that SUNY has used flexibility to exceed salary ranges in only a comparatively few number of occasions when campuses determined that a position must be filled with a top faculty or administrator in the field. It has also allowed SUNY to react more quickly in competing for and attracting top level employees. SUNY should continue its prudent use of flexibility in exceeding salary ranges.

Impact of Flexibility on SUNY Salaries

Because the establishment of salaries is a subjective process, we obtained information on salaries paid by SUNY's peer university systems to determine whether SUNY's salaries are reasonable in comparison. We did not attempt to compare salaries outside the realm of academia as SUNY officials believed that this would not be a reasonable comparison. However, as noted previously, a Division of Budget study did find that the percentage increase in average faculty salary from 1987 to 1992 was consistent with the pay increases received by other State employees.

Our comparison found that SUNY University Centers generally paid their professors and associate professors a higher salary than their peers, while faculty at the comprehensive colleges were generally paid less than their peers. We also found that administrator salaries at SUNY doctoral and comprehensive institutions were comparable to the national median, while the salaries at the SUNY baccalaureate and two-year colleges were considerably higher than the national median. In addition, we noted instances where individual salaries at SUNY's doctoral institutions, particularly at Buffalo University, were much higher than SUNY's median for those titles. The following is our detailed comparison of SUNY salaries with peer university systems.

Faculty Salaries

We compared SUNY faculty salaries to their peers nationwide using an annual survey conducted by the College and University Personnel Association (CUPA) for the 1987-88 and 1992-93 academic years. These academic years were selected to compare a pre-flexibility period (1987-88) to a post-flexibility period (1992-93). The CUPA surveys included full-time employees at over 2,000 institutions nationwide for an academic year of nine months. Using a list of peer institutions obtained from SUNY, we extracted SUNY and peer institution salary and compensation data from the CUPA surveys. We focused our analysis on the University Centers at Albany, Binghamton, Buffalo, and Stony Brook and on the comprehensive colleges because the CUPA surveys contained an adequate number of SUNY peer institutions. We used the faculty categories commonly used at SUNY institutions: Professor, Associate Professor, and Assistant Professor.

We found that during 1992-93, SUNY University Centers generally paid their professors and associate professors a salary 1 to 11 percent higher than their peers. Assistant professors were paid slightly less than peer

faculty. Faculty at the comprehensive colleges were generally paid 8 to 9 percent less than their peers. (See Exhibit B.)

When comparing the 1987-88 and 1992-93 academic years, for University Center institutions, the difference between SUNY faculty salaries and peer salaries generally stayed about the same, usually only changing a few percentage points. For example, at SUNY Buffalo the rate that professor salaries exceeded their peers went from 12 percent in 1987-88 to 11 percent in 1992-93, a decrease of 1 percent. The comprehensive colleges, however, experienced greater change. Their salaries generally dropped further below their peers. For example, the professor salary went from 1 percent above their peers in 1987-88 to 8 percent below in 1992-93, a change of 9 percent. (See Exhibits A and B.)

Administrator Salaries

CUPA periodically performs a survey and reports the median national salary for common administrator positions among colleges based on institution type (doctoral, comprehensive, baccalaureate, and two-year). CUPA divides the administrator positions into five categories as follows: executive, academic, administrative, external affairs, and student services. CUPA's 1992-93 survey included employees at 1,432 institutions. To determine how SUNY's administrative salaries compare to the national median, we selected the top positions from each category and compared SUNY salaries for similar positions to the national median developed by CUPA.

Overall, for the positions we reviewed, the salaries at SUNY doctoral and comprehensive institutions were comparable to the national median, while the salaries at SUNY's baccalaureate and two-year colleges were generally higher than the national median. The salary for the Chancellor of the SUNY system is only slightly higher than the national median (5 percent higher). During the 1992-93 academic year, the Chancellor of the SUNY system earned a salary of $157,500 compared to the national median salary of $149,750. (See Exhibit C.)

Doctoral and Comprehensive Institutions

We found that the administrator salaries at the SUNY doctoral and comprehensive institutions are in line with the national median. At the doctoral colleges, SUNY salaries differ from the national median from 6 percent less to 13 percent more, depending on the position. The median SUNY salary for a President was $130,288 and the median national salary for the equivalent title (Chief Executive of a single institution) was $138,600, creating a difference of $8,312 or 6 percent less than the national median. The median SUNY salary for a Vice-President for Student Affairs or Vice-President for Student & Community Service was $102,705 and the median national salary for the equivalent

title (Chief Student Affairs Officer) was $91,000, creating a difference of $11,705 (13 percent).

While most individual salaries at SUNY doctoral colleges for the titles we reviewed fell near the SUNY median, some titles had one individual well above the median. This usually occurred at Buffalo University. The following are examples:

- The SUNY median salary for Provost, the top academic position at a university center was $114,300, but the Provost at Buffalo was paid $145,000 (27 percent more);

- The SUNY median salary for the top administrative position of a university center was $106,583. However, the Vice-President for University Services at Buffalo received $124,000 (16 percent more); and

- The chief external affairs position at the SUNY university centers carried a median salary of $99,867; however, the Vice-President for University Relations at Buffalo made $111,000 (11 percent more).

At the comprehensive colleges, the percent SUNY salaries differed from the national median ranges from 5 percent less to 18 percent more, depending on the position. The median SUNY salary for a President was $99,225 and the median national salary for the equivalent title (Chief Executive of a single institution) was $104,040, resulting in a difference of $4,815 or 5 percent below the national median. The median SUNY salary for a Vice-President for Student Affairs was $82,300 and the median national salary for the equivalent title (Chief Student Affairs Officer) was $70,000, a difference of $12,300 (or 18 percent).

Baccalaureate and Two-Year Institutions

The administrator salaries at SUNY baccalaureate and two-year institutions exceed the national median by a considerable amount for all titles we reviewed, except for a President. The median salary for a President at the baccalaureate colleges was $99,225, one percent below the national median of $100,000. The median salary for a President at the two-year colleges ($90,300) was 8 percent above the national median of $84,000. In contrast, the median SUNY salary for Vice-President for Student Affairs at a baccalaureate college was $90,250 compared to the national median average of $54,168, a difference of $36,082 (or 67 percent higher). Also, the median SUNY salary for the top administrative officer at a two-year college was $79,050 compared to the median national salary of $60,924, making SUNY $18,126 (30 percent) higher.

Recommendation

1. Review situations where SUNY salaries deviate considerably from the national median, as well as from the SUNY median, and determine whether such situations are appropriate.

Success of Flexibility

One of the major objectives of flexibility over personnel transactions is to allow SUNY to recruit and retain top faculty and administrative talent on a timely basis. However, SUNY has not established specific criteria nor captured data by which to measure the success of flexibility on personnel practices. We noted that SUNY has done this in regards to flexibility in purchasing practices. SUNY officials have not uniformly assessed the timeliness of personnel transactions, the percentage of top faculty and administrators that they have been able to recruit or retain, or the amount of research monies that some of the top paid faculty have been able to bring into the SUNY system.

Although SUNY has not established accountability systems to document the success of flexibility, we were able to identify instances that demonstrate a degree of success. The following are two examples.

During 1992-93 academic year, SUNY had approximately 250 faculty members and administrators earning salaries in excess of their respective salary maximums. We reviewed campus personnel records for 116 of these faculty members and administrators and found adequate documentation to support the over-the-maximum occurrences. For 16 of these faculty members at 3 campuses (11 at Buffalo, 2 at Stony Brook and 3 at Brooklyn), the documentation we saw included descriptions of individual research endeavors and accomplishments that formed part of the basis for the over-the-maximum salaries granted to them. Other accomplishments and factors were also noted in all 16 cases. We sought to determine whether the 16 employees continued to engage in sponsored research after their salaries went over the maximum. To accomplish this, we utilized data from the SUNY Research Foundation on sponsored project account budgets for the period July 1, 1990 through June 30, 1993.

We found that 14 of the 16 faculty and administrators recognized for past research efforts, continued to direct sponsored research projects and draw research funding after their salaries rose above the respective maximums. During the period July 1, 1990 through June 30, 1993, 13 (80 percent) of the employees generated total research funding of over $165,000 each; 2 of these individuals (Buffalo University employees) had three-year total project budgets of over $4 million each. Another employee had service or applied research funding of about $130,000. The remaining two employees had reasonable explanations for not

maintaining levels of sponsored research consistent with their past research records.

We also found evidence of how flexibility has improved SUNY's ability to process personnel transactions in a more timely manner. For example, in November 1990, Buffalo University measured the time it took to process personnel classification transactions, pre-flexibility versus post-flexibility. Buffalo reported that processing time for faculty transactions took 1 to 4 weeks compared to 7 to 10 weeks prior to flexibility legislation. Professional classifications were processed in 3 to 7 weeks, while 17 to 27 weeks were required prior to flexibility legislation.

Recommendation

2. Establish specific criteria and obtain data to measure the benefits and costs of flexibility.

STATE UNIVERSITY OF NEW YORK
PERSONNEL PRACTICES UNDER FLEXIBILITY
FACULTY SALARY COMPARISON - ACADEMIC YEAR 1987-88

SUNY INSTITUTION	FACULTY POSITION	AVERAGE SUNY SALARY (2)	MEDIAN PEER STATE AVERAGE SALARY (3)	DIFFERENCE	PERCENT SUNY EXCEEDS PEERS
ALBANY	PROFESSOR	$60,300	$56,600	$3,700	7%
	ASSOCIATE PROF	$44,200	$39,600	$4,600	12%
	ASSISTANT PROF	$33,500	$33,800	($300)	-1%
BINGHAMTON	PROFESSOR	$58,600	$56,600	$2,000	4%
	ASSOCIATE PROF	$41,900	$39,600	$2,300	6%
	ASSISTANT PROF	$31,800	$33,800	($2,000)	-6%
BUFFALO	PROFESSOR	$60,700	$54,200	$6,500	12%
	ASSOCIATE PROF	$44,100	$40,000	$4,100	10%
	ASSISTANT PROF	$35,000	$33,700	$1,300	4%
STONY BROOK	PROFESSOR	$61,500	$54,200	$7,300	13%
	ASSOCIATE PROF	$42,700	$40,000	$2,700	7%
	ASSISTANT PROF	$32,600	$33,700	($1,100)	-3%
COLLEGES (1)	PROFESSOR	$46,000	$45,400	$ 600	1%
	ASSOCIATE PROF	$36,800	$37,100	($300)	-1%
	ASSISTANT PROF	$29,850	$30,500	($650)	-2%

NOTES:

(1) COLLEGES INCLUDE: BROCKPORT, BUFFALO, CORTLAND, FREDONIA, GENESEO, NEW PALTZ, ONEONTA, OSWEGO, PLATTSBURGH, POTSDAM, ENVIRONMENTAL SCIENCE AND FORESTRY, AND TECH UTICA.

(2) SALARIES FOR COLLEGES ARE THE MEDIAN OF THE AVERAGE SALARIES FOR THE COLLEGES LISTED IN NOTE (1).

(3) DATA FOR SALARIES OTHER THAN SUNY WAS NOT AUDITED.

Exhibit A

STATE UNIVERSITY OF NEW YORK
PERSONNEL PRACTICES UNDER FLEXIBILITY
FACULTY SALARY COMPARISON - ACADEMIC YEAR 1992-93

SUNY INSTITUTION	FACULTY POSITION	AVERAGE SUNY SALARY (2)	MEDIAN PEER STATE AVERAGE SALARY (3)	DIFFERENCE	PERCENT SUNY EXCEEDS PEERS
ALBANY	PROFESSOR	$71,000	$67,600	$3,400	5%
	ASSOCIATE PROF	$51,100	$46,750	$4,350	9%
	ASSISTANT PROF	$38,800	$39,650	($850)	-2%
BINGHAMTON	PROFESSOR	$68,500	$67,600	$ 900	1%
	ASSOCIATE PROF	$49,400	$46,750	$2,650	6%
	ASSISTANT PROF	$39,300	$39,650	($350)	-1%
BUFFALO	PROFESSOR	$73,300	$66,200	$7,100	11%
	ASSOCIATE PROF	$52,100	$49,000	$3,100	6%
	ASSISTANT PROF	$39,900	$40,500	($600)	-1%
STONY BROOK	PROFESSOR	$72,800	$66,200	$6,600	10%
	ASSOCIATE PROF	$51,200	$49,000	$2,200	4%
	ASSISTANT PROF	$39,100	$40,500	($1,400)	-3%
COLLEGES (1)	PROFESSOR	$52,750	$57,300	($4,550)	-8%
	ASSOCIATE PROF	$42,100	$45,650	($3,550)	-8%
	ASSISTANT PROF	$34,350	$37,600	($3,250)	-9%

NOTES:

(1) COLLEGES INCLUDE: BROCKPORT, BUFFALO, CORTLAND, FREDONIA, GENESEO, NEW PALTZ, ONEONTA, OSWEGO, PLATTSBURGH, POTSDAM, ENVIRONMENTAL SCIENCE AND FORESTRY, AND TECH UTICA.

(2) SALARIES FOR COLLEGES ARE THE MEDIAN OF THE AVERAGE SALARIES FOR THE COLLEGES LISTED IN NOTE (1).

(3) DATA FOR SALARIES OTHER THAN SUNY WAS NOT AUDITED.

Exhibit B

STATE UNIVERSITY OF NEW YORK
PERSONNEL PRACTICES UNDER FLEXIBILITY
ADMINISTRATOR SALARY COMPARISON - ACADEMIC YEAR 1992-93

TYPE OF INSTITUTION	SUNY TITLE	SUNY MEDIAN SALARY	CUPA MEDIAN SALARY	DIFFERENCE	PERCENT DIFFERENCE
UNIVERSITY SYSTEM	CHANCELLOR	$157,500	$149,750	$ 7,750	5%
DOCTORAL	PRESIDENT	$130,288	$138,600	($ 8,312)	-6%
	VP ACADC AFFR PROVOST	$114,3	$119,000	($ 4,700)	-4%
	DEAN MEDICINE	$183,500	$192,860	($ 9,360)	-5%
	VP ADMINISTRATION VP FIN & MGT VP FOR UNIV SERVICE	$106,583	$103,768	$ 2,815	3%
	VP UNIV RELATIONS VP UNIV AFFAIRS	$ 99,867	$ 94,694	$ 5,173	5%
	VP STUDENT AFFRS VP STD & COM SRV	$102,705	$ 91,000	$11,705	13%
COMPREHENSIVE	PRESIDENT	$ 99,225	$104,040	($ 4,815)	-5%
	VP ACADC AFFR	$ 91,210	$ 86,500	$ 4,710	5%
	VP ADMINISTRATION VP FIN & MGT VP BUS AFFAIRS	$ 90,993	$ 80,701	$10,292	13%
	ASSNT TO PRE VP COLLG REL & D DIR DEVELOPMENT ASSNT VP ACAD AFFR	$ 78,202	$ 75,336	$ 2,866	4%
	VP STUDENT AFFRS	$ 82,300	$ 70,000	$12,300	18%
BACCALAUREATE	PRESDIENT	$ 99,225	$100,000	($ 775)	-1%
	VP ACADC AFFR	$ 96,000	$ 69,231	$26,769	39%
	VP ADMINISTRATION VP BUS AFFAIRS	$ 80,000	$ 67,000	$13,000	19%
	VP DEVELOPMENT VP COLLG REL & D	$ 80,000	$ 61,500	$18,500	30%
	VP STUDENT AFFRS	$ 90,000	$ 54,168	$36,082	67%
TWO-YEAR	PRESIDENT	$ 90,300	$ 84,000	$ 6,300	8%
	VP ACADC AFFR	$ 80,980	$ 63,874	$17,106	27%
	VP ADMINISTRATION	$ 79,050	$ 60,924	$18,126	30%
	PUBLIC REL OFFR DIR DEVELOPMENT	$ 51,365	$ 42,827	$ 8,538	20%
	VP STUDENT AFFRS	$ 71,698	$ 57,510	$14,188	25%

NOTE: DATA FOR SALARIES OTHER THAN SUNY WAS NOT AUDITED.

Exhibit C

Major Contributors to This Report

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Office of the Vice Chancellor
for Finance and Business

August 10, 1994

Mr. Robert H. Attmore
Deputy Comptroller
Office of the State Comptroller
The State Office Building
Albany, New York 12236

Dear Bob:

In accordance with Section 170 of the Executive Law, we are enclosing the comments of State University of New York regarding the Draft Audit Report on Personnel Practices Under Flexibility, State University of New York (94-S-29).

Sincerely,

William H. Anslow
Senior Vice Chancellor
for Finance and Management

Enc.

BEST COPY AVAILABLE

State University of New York

Personnel Practices Under Flexibility
94-S-29

OSC Recommendation 1

Review situations where SUNY salaries deviate considerably from the national median, as well as from the SUNY median, and determine whether such situations are appropriate.

SUNY at Buffalo Response

A review process is in place at the University at Buffalo (UB) for the purpose of salary determination and includes consideration of whether salaries that "deviate considerably from the national median, as well as from the SUNY median" are appropriate.

Salary determinations are subject to an established campus decision-making process whereby the determinations must be justified, authorized, and acceptable to those involved in the process. The justifications must be supported by comparative market data. This decision-making process is applied before appointments are made and salary increases are provided. Comparative market data are provided to campus administrators to assist them in making effective pay decisions to keep the University competitive with other employers in recruitment and retention, and to provide an objective basis on which to make salary increase decisions. The market data include, but are not limited to CUPA survey, AAU survey, Arkansas survey, SUNY medians, and UB medians.

Competition for top faculty and administrators is not limited to the peer institutions identified by SUNY. UB uses a base of resources broader than CUPA and SUNY medians. This base is refined by adding factors such as budget, professional schools, size, and affiliation. Further, we believe that the comparative salary data for SUNY doctoral colleges should be refined to include these factors. Comparing UB's key leadership positions with all other SUNY doctoral colleges exaggerates the outcomes for UB, i.e., comparing UB with groups other than its peer groups increases the potential that a datum will deviate from the norm.

SUNY System Administration Response

We agree and will review such situations.

OSC Recommendation 2

Establish specific criteria and obtain data to measure the benefits and costs of flexibility.

SUNY at Buffalo Response

We would agree that policies and procedures should be assessed to determine if they are helping us to achieve our goals and objectives. Periodic reviews by SUNY at selected campuses and by individual campuses would be appropriate.

However, until the SUNY schedule of positions (SOP) approval/production process changes, the timeliness of personnel transactions will not vary from our 1990 review (as referenced in the audit p.10). The production schedule for the SOP drives the minimum and maximum times that a transaction can be processed.

SUNY System Administration Response

We accept the recommendation and will consider how to best measure the benefits of flexibility.